

HARDSHIP LETTER (DRAFT)

June 1,2006

Darleen Smith

Loss Mitigation Specialist A.BC; Mortgage Co. 123.4 River Road Milwaukee, WI, 33333

RE:

John and Joan Borrower 271 Lake Street

Dover, Delaware 12345 Account-number: 987654321

Dear Ms. Smith:

This letter is to support our application for a forbearance plan that will help us get our mortgage payments back on track. We have lived in our home for 20 years and we want to work hard and keep it.

Our youngest child is learning disabled and attends a special program at school. **If** we lose the home we will probably have to move out of this school district. (There are very few rental properties.) 'Our doctor has said that moving is likely to disrupt our boy's development.

We fell behind on our mortgage payments due to loss of income because of a lay-off. We had a very hard time dealing with our debts, because we never had financial problems before. There are so many expenses and managing a home and family of 5 is very hard.

John has been employed in the construction business for more than 20 years as a plasterer and mason. He was laid off by his prior employer last September and his unemployment was only 60% of his prior income. We think his boss was incompetent and John was one person who was not afraid to tell him so that is why they put him first on the layoff list. Joan was able to increase her hours as a school aid as of December 1 to make up part of the difference, but we were unable to make full mortgage payments for December through April. Our partial payments were returned by you with a nasty letter.

-We will be able to start making full payments again soon. John obtained part time work as of April 15, and this job can expand to full time as of July 1. He will be paid less than his prior job, but with Joan's increase in hours our income' will be approximately 90% of what it was before the lay-off.

One other good thing is that John's new job is indoor work which will be steady for a construction company that has been in business for 35 years. Unlike some of John's past jobs, he is not going to be laid off for the winter. John is a good worker and we know he will stick with it.

We had saved about \$2,700 toward the mortgage as of March 1. This is the money you had returned to us. We had hoped to use this money as part of our plan to get caught up on our payments. However, we discovered last month that our 1996 Nissan Maxima could no longer be fixed. Since John's new job is in Wilmington, he needs a car and we have spent about \$2,000 of the money we had saved as a down payment for a used (2000) Ford truck. We still have the other \$700 and we expect to put aside \$800 (the amount of our regular payment) each month starting August 1.

Our financial information is enclosed with this letter. If we can have a forbearance plan that involves payments of no more than \$800 per month, we know we can make it. You will see that we have minimized all our expenses and it is most important to us to keep this home. Please put yourself in our position and try to help. We thank you very much for any effort you can make.

Please contact our foreclosure prevention counselor, Jane Dean, at 312- 555-1213, to discuss this further.

Sincerely,

John Borrower

Joan Borrower